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FORT WAYNE MILK MARKET NEWS

Federal Milk Order No. 32
U. S. Department of Agriculture
Dairy Division
Agricultural Marketing Service

Market Administrator
507 Strauss Building
809-11 S. Calhoun St.
Fort Wayne 2, Indiana

FEB 20 1958

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol. 1 No. 1 January, 1957

DECEMBER UNIFORM PRICE $4.77

Dairy farmers will receive a uniform price of $4.77 for December 1956 deliveries of Grade "A" milk to handlers under the Fort Wayne Milk Order. This uniform price is based upon a butterfat test of 3.5 percent and will be adjusted by a differential of 6.9 cents for each one-tenth of one percent that individual tests vary above or below the 3.5 percent standard. Prices at the various butterfat tests are shown on page 5 of this news letter.

This minimum price is subject to the applicable marketing service deduction together with the authorized hauling charges and the 3 percent transportation tax.

The December price of $4.77 represents an increase of 6 cents over the November 1956 blend and an increase of 22 cents over December 1955.

PRODUCTION AND UTILIZATION

The figures on page 6 of this release shows the method of computing the blend price. Class I sales of producer milk amounted to about 5.5 million pounds or 76 percent of producer receipts. This represented an increase of 1.5 percent over November, 1956 and an increase of 7 percent over December a year ago. A 3 year comparison of gross daily sales and other market statistics is shown on page 4.

Average production per farm per day was 279 pounds for December, 1956 as compared with 271 pounds a year ago, or an increase of 3 percent. (Production per farm in November, 1956 was 267 pounds) 844 producers were on the Fort Wayne market during December, 1956, or 120 less than a year ago.

The utilization and classification of all milk receipts required to be reported by handlers is set forth on page 3.

Activities of the market administrators butterfat check testers during December included 474 composite tests, 865 fresh milk sample tests and 219 tests of handler's finished products.

CLASS PRICES AND DIFFERENTIALS FOR DECEMBER, 1956
(Sect. 932.50 to 932.53 Incl. and 932.82)

PRICES PER HUNDREDWEIGHT
(Announced January 7, 1957)

Class I	3.5 % Milk -	Basic Formula Price	$3.419	
		Plus Standard Differential	1.60	
		Supply-Demand Adjustment	.14	$5.159
Class II	3.5% Milk -	Basic Formula Price (Manufacturing Plant Formula)		$3.419

BUTTERFAT DIFFERENTIALS PER HUNDREDWEIGHT

Class I	$0.078	Class II	$0.069	Producer	$0.069

DECEMBER, 1956, PRICE UNIFORMATION

Average price of Butter per pound	$0.59934
Average price of Cheese per pound	0.34562
Average Roller Powder price per pound	0.13360
Average Spray Powder price per pound	0.15180
Average of Roller and Spray Powder price per pound	0.14270
Local manufacturing pay price (four plants per cwt)	$3.419
Butter-Cheese Formula price per cwt	2.856
Butter-Powder Formula price per cwt	3.110

SUPPLY DEMAND ADJUSTMENT FOR JANUARY, 1957

The gross volume of Class I utilization for the months of November and December, 1956, of 13,014,169 pounds divided by the total volume of producer receipts for these months of 14,225,428 pounds produced a Class I utilization percentage of 91%. The standard utilization percentage for January is 86%. This difference of +5% is the net utilization percentage for January. The supply demand adjustment for January, 1957, based on the plus 3 or plus 4 bracket is +$0.10. The regular class differential is $1.15, therefore, the total difference between the January Class I and Class II prices will be $1.25.

January 10, 1957

UTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

December, 1956

Item	(Milk Lbs.)	(B. F. Lbs.)
CLASS I MILK		
Fluid Milk	5,789,560	205,109
Fortified Skim Milk	190,239	2,439
Skim Milk	30,517	72
Buttermilk	73,551	653
Flavored Milk/Drink	231,105	4,720
Cream Mixtures	107,116	12,794
Light Cream	35,495	7,028
Heavy Cream	16,855	6,028
Sour Cream	5,730	1,092
Ice Cream Mix in Bottles	840	92
Egg Nog	42,682	3,547
Sub Totals	6,523,690	243,574
Plus Unaccounted For	10,265	2,369
Total Milk Utilized in Class I	6,533,955	245,943
Less Other Source Receipts	978,997	33,617
Less Overages	-0-	-0-
CLASS I MILK IN POOL (3.82%)	5,554,958	212,326
CLASS II MILK		
Used to Produce:		
Soft Curd Cheeses	263,701	2,333
Butter	77,696	31,078
Unsweetened Condensed	1,259,825	-0-
Other Condensed	81,000	-0-
Ice Cream Mix	99,361	8,627
Milk Powders	2,050,528	19,579
Sales to Non-Pool Manufacturing Plants	987,665	137,946
Inventory Variation	- 88,966	- 8,131
Dumped or Livestock Feed	11,941	186
Shrinkage	41,253	9,468
Total Milk Utilized in Class II	4,784,004	201,086
Less Other Source Receipts	3,026,292	121,274
Less Overages	18,725	-0-
CLASS IIMILK IN POOL (4.59%)	1,738,987	79,812
TOTAL PRODUCER MILK IN BOTH CLASSES (4.005%)	7,293,945	292,138

STATISTICAL SUMMARY FOR DECEMBER, 1956

Order No. 32, as Amended		December 1956 Reported	November 1956 Reported	December 1955 Audited	December 1954 Audited
Gross: Class I Sales (Lbs.)		6,533,955	6,480,214	6,846,596	6,651,476
Class II Sales		4,784,004	4,455,009	5,130,740	6,103,920
Total Sales		11,317,959	10,935,223	11,977,336	12,755,396
Daily Class I Sales (Lbs.)					
In Marketing Area		171,951	173,944	169,920	163,956
Outside Marketing Area		38,491	41,837	50,466	50,223
Unaccounted For		331	226	472	395
Total Daily Class I Sales		210,773	216,007	220,858	214,564
Daily Class I Sales Compared With:			- 2.4%	- 4.6%	- 1.8%
Received from:					
Producers (Lbs.)	Class I	5,554,958	5,461,511	5,606,116	5,663,184
	Class II	1,738,987	1,469,972	2,505,581	3,171,510
	Total	7,293,945	6,931,483	8,111,697	8,834,694
Other Sources		4,005,289	3,986,154	3,865,639	3,090,661
Overages		18,725	17,586	-0-	11,041
Total Receipts		11,317,959	10,935,223	11,977,336	12,755,396
Daily Production		235,289	231,049	261,668	284,990
Daily Production Compared With:			+ 1.8%	- 10.1%	- 17.4%
Percent Class I Sales are to Local Production		89.6%	93.5%	84.4%	75.3%
Number of Producers		844	865	964	1,267
Daily Pounds of Milk delivered per Farm		279	267	271	225
Producers' Average Butterfat Test:		4.01%	3.97%	4.03%	3.96%
Class I Price		$5.159	$5.019	$5.136	$4.436
Class II Price		3.419	3.419	3.156	3.206
Uniform Price, F. O. B. Fort Wayne		4.77	4.71	4.55	4.01
Handler Butterfat Differentials:					
Class I		$ .078	$ .080	$ .075	$ .077
Class II		.069	.071	.066	.069
Producer Butterfat Differentials:		$ .069	$ .071	$ .066	$ .069
Value of Local Production		$373,435	$349,633	$397,850	$383,469
Value of Production per Farm		442	404	413	303
Non-Fat Dried Milk Solids Price		$ .1427	$ .1430	$ .1448	$ .1482
Cheddar Cheese Price		.3456	.3444	.3306	.3350
92-Score Butter Price, Chicago		.5993	.6188	.5770	.5958
Mft. Pay Price (4 plants)		3.419	3.419	3.156	3.206
Butter-Cheese Formula Price		2.856	2.930	2.746	2.826
Butter-Skim Powder Formula Price		3.110	3.195	3.034	3.141

All prices quoted are for 3.5% milk.

PRODUCER UNIFORM PRICES AT BUTTERFAT TEST FOR DECEMBER, 1956

(F. O. B. Fort Wayne, Indiana)

Test	Price	Test	Price
2.80	$4.2870	4.15	$5.2185
2.85	4.3215	4.20	5.2530
2.90	4.3560	4.25	5.2875
2.95	4.3905	4.30	5.3220
3.00	4.4250	4.35	5.3565
3.05	4.4595	4.40	5.3910
3.10	4.4940	4.45	5.4255
3.15	4.5285	4.50	5.4600
3.20	4.5630	4.55	5.4945
3.25	4.5975	4.60	5.5290
3.30	4.6320	4.65	5.5635
3.35	4.6665	4.70	5.5980
3.40	4.7010	4.75	5.6325
3.45	4.7355	4.80	5.6670
		4.85	5.7015
3.50	4.77	4.90	5.7360
		4.95	5.7705
3.55	4.8045	5.00	5.8050
3.60	4.8390	5.05	5.8395
3.65	4.8735	5.10	5.8740
3.70	4.9080	5.15	5.9085
3.75	4.9425	5.20	5.9430
3.80	4.9770	5.25	5.9775
3.85	5.0115	5.30	6.0120
3.90	5.0460	5.35	6.0465
3.95	5.0805	5.40	6.0810
4.00	5.1150	5.45	6.1155
4.05	5.1495	5.50	6.1500
4.10	5.1840	5.55	6.1845

The above prices are subject to authorized deductions.

United States Secretary
of Agriculture
Order No. 32, as Amended

507 Strauss Building
809-11 S. Calhoun Street
Fort Wayne 2, Indiana

ANNOUNCEMENT AND COMPUTATION OF UNIFORM PRICE FOR DECEMBER, 1956

UNIFORM PRICE - $4.77 /Cwt., for 3.5% MILK

	Gross Sales (Pounds	Other Source Milk (Pounds)	Overage (Pounds)	Producer Milk (Pounds)	Percentage Prod.	Percentage B. F.
Class						
I	6,533,955	978,997	-0-	5,554,958	76.16	72.68
II	4,784,004	3,026,292	18,725	1,738,987	23.84	27.32
Total	11,317,959	4,005,289	18,725	7,293,945	100.00	100.00

ALLOCATION AND VALUE OF PRODUCER MILK

		POUNDS		VALUE CWT.	TOTAL VALUE	
Class I	Butterfat	212,326		$80.429	$170,771.69	
	Skim	5,342,632		2.429	129,772.53	
	Product		5,554,958	$ 5.410		$300,544.22
Class II	Butterfat	79,812		$70.004	$ 55,871.60	
	Skim	1,659,175		1.004	16,658.11	
	Product		1,738,987	$ 4.171		$ 72,529.71
Total Producer Deliveries			7,293,945	$5.115		$373,073.93
Add: Overage Value				.003		188.00
				$5.118		$373,261.93
Add: Other Source Milk in Class I Assessment				.002		172.68
Total Value of Pooled Milk				$5.120		$373,434.61
Subtract: Butterfat Adjustment to 3.5% Milk				.349		25,426.44
				$4.771		$348,008.17
Add: Cash Balance at January 10, 1957				.039		2,845.56
				$4.810		$350,853.73
Subtract: Reserve (between 4¢ and 5¢)				.040		2,932.55
ANNOUNCED 3.5% UNIFORM PRICE				$4.77		$347,921.18

IMPORTANT: The announced uniform price of $4.77 cwt., is subject to a butterfat differential of $.069 cwt., for each 1/10 of 1% butterfat content variance from 3.5%. This price is subject to the applicable marketing service deduction together with the authorized hauling charges and the 3% transportation tax.

Average test of producer milk - 4.005%

R. J. Connolly
Market Administrator

Date Announced: January 10, 1957